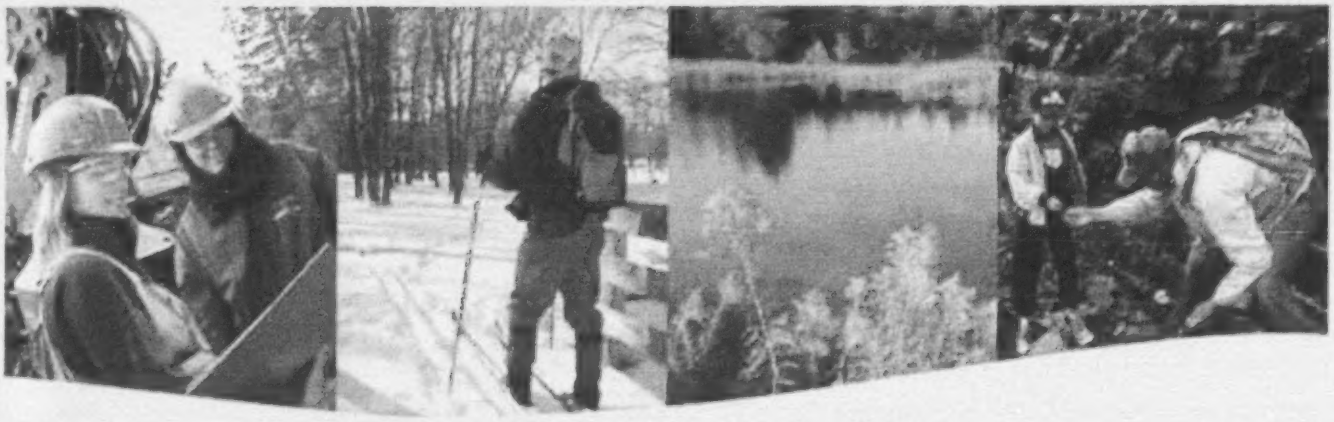


Annual Accountability Report

for the Fiscal Year 2012-13

Nova Scotia Department of Natural Resources

NOVA SCOTIA

Report DNR 2013-3
August 2013

Table of Contents

Accountability Statement	1
Message from the Minister	2
Financial Results	4
Measuring Our Performance	6
Public Interest Disclosure of Wrongdoing Act	10

Accountability Statement

The accountability report of the Department of Natural Resources, for the year ended March 31, 2013, is prepared pursuant to the *Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against the Department of Natural Resources' Statement of Mandate for the fiscal year 2012-2013. The reporting of Department of Natural Resources' outcomes necessarily includes estimates, judgments and opinions by department management and staff.

We acknowledge that this accountability report is the responsibility of Department of Natural Resources management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Natural Resources' 2012-2013 Statement of Mandate.

The Honourable Charlie Parker
Minister of Natural Resources

Mr. Duff Montgomerie
Deputy Minister of Natural Resources

Message from the Minister:

It is my pleasure to present the *Accountability Report of the Department of Natural Resources for 2012-13.*

This was a year filled with many accomplishments, including getting started on the work related to Nova Scotia's *Natural Resources Strategy*. The strategy has focused our efforts in four priority areas – biodiversity, forests, geological resources, and provincial parks. While actions related to forests were affected by our need to address the pulp and paper industry crisis in Nova Scotia, I'm pleased to say the department was able to begin work on every item in the 24-month action plan.

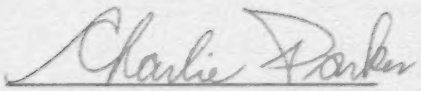
The strategy reflects Nova Scotians desire for a new and balanced approach to natural resources management – a transformation essential for the collective economic, environmental and social benefit of future generations.

I'm pleased to report this transformation is already underway, including, in this past fiscal year:

- Completing a 12 month progress report on the *Natural Resources Strategy* in August 2012, indicating work completed or ongoing in the 24-month action plan.
- Continuing to invest in training and outreach for woodlot owners, private land silviculture, and tree harvesting tracking, monitoring and compliance, to continue to move closer to the goal of reducing the use of clearcut harvesting to no more than 50 per cent of the total harvest by 2016.
- Completing the *Provincial Park Public Value Consultation,* capturing perceptions and preferences from users and non-users about provincial parks.
- Acquiring over 2,900 acres of new Crown lands throughout the province, helping to protect jobs in the forestry industry, providing Nova Scotians with coastal access and recreational opportunities, and ensuring land is available for future generations.
- In addition to the above, investing in the acquisition of 550,000 acres of former Bowater lands and beginning a public consultation process to identify potential uses.
- Collaborating with other departments, local government and local woodlot owners who supported the Port Hawkesbury Paper agreement.
- Releasing a draft *Provincial Parks and Protected Areas Plan* in partnership with the Department of Environment that proposes to secure and strengthen our park system and increase Nova Scotia's legally protected landmass to over 12 per cent by 2015, including adding four new provincial parks (960 hectares), and expanding 12 provincial parks (3940 hectares).
- Assisting 29 minerals projects in 14 counties province-wide through the *Minerals Incentive Program*, ranging from assisting prospectors to mineral exploration.
- Moving forward with expressions of interest to develop community forests in southwestern Nova Scotia, as recommended by the Bowater Transition Team.
- Developing a comprehensive legislative review plan for the department.

- Investing up to $1.5 million over three years to protect land in partnership with the Nova Scotia Nature Trust and the Nature Conservancy of Canada.
- Passing the *Community Easements Act* to help community groups, municipalities and the Mi'kmaq to preserve traditional uses of private lands for communities.

I encourage readers to visit the department's web site at http://www.gov.ns.ca/natr to view a range of information on the department's many programs and services.



The Honourable Charlie Parker
Minister

Financial Results

Table: 2012-13 Estimate and 2012-13 Actual and FTEs

Department of Natural Resources Budget Context			
	2012-13		
	Estimate	Actual	Variance
Program and Service Area	$'000	$'000	$'000
Gross Departmental Expenses:			
Senior Management	516	509	(7)
Corporate Services Unit	4,401	4,116	(285)
Renewable Resources	15,729	17,971	2,242
Mineral Resources	3,861	3,581	(280)
Regional Services	62,927	64,503	1,576
Policy, Planning and Support Services	4,672	4,621	(51)
Land Services	3,579	4,053	474
Total: Gross Departmental Expenses	**95,685**	**99,354**	**3,669**
Additional Information:			
Ordinary Revenue	6,250	10,055	3,805
Fees and Other Charges	2,052	2,190	138
Ordinary Recoveries	25	5,960	5,935
TCA Purchase Requirements	6,600	151,169	144,569
Provincial Funded Staff (FTEs)	**796**	**760**	**(36)**

Variance Explanation:

The Department spent $3.7 million or 3.8 per cent more than budget. This variance resulted from $3.8 million in expenses paid to Pacific West Commercial Corporation relating to the sale of the Port Hawkesbury paper mill & is fully offset by recoveries from Pacific West Commercial Corporation.

Ordinary Revenue was $3.8 million higher than budgeted due primarily to $3.5 million in wood sales relating to the Port Hawkesbury paper mill.

Ordinary Recoveries were $5.9 million higher than budgeted due primarily to $5.5 million in expenses recovered from Pacific West Commercial Corporation ($3.8 million of 2012-13 and $1.7 million of 2011-12 expenses).

Actual TCA Purchases were $144.6 million higher than budgeted due primarily to acquisitions of $21.1 million (former NewPage lands) and $118.6 million (former Bowater lands); infrastructure expenses for Graves Island ($268 thousand), Dominion Beach ($573 thousand), and Anthony Wharf ($440 thousand).

Measuring Our Performance

OUTCOME Sustainable Natural Resources

Measure: ***Percentage of required value of silviculture on private and industrial lands completed***

What does the measure tell us? The measure helps to explain whether the level of silviculture activity being reported by wood buyers meets or exceeds the required amount (as per the requirements of the *Forest Sustainability Regulations*). A ratio of 100% means that the level of silviculture reported equals the amount of silviculture activity required under the *Forest Sustainability Regulations*.

Where are we now? During the calendar year 2012, figures indicate that approximately 7.4 million silviculture credits were required and about 6.8 million credits were claimed, which included nearly 600 thousand administrative credits. As a result, completed silviculture was 92% of the amount required under the *Forest Sustainability Regulations*. Surplus credits acquired in previous years were used by some Registered Buyers to meet their commitments. Under the regulations, Registered Buyers can have a 20% deficit in credits in any one year, and still be compliant.

Where do we want to be? The department's target for this measure for 2012-13 was 100% (this measure is calculated on a calendar year basis). As long as this measure exceeds 100%, the amount of actual silviculture work being claimed is greater than the amount which is required (under the *Forest Sustainability Regulations*). Each year the target for this measure will remain at 100% or greater.

Measure: ***Percentage of forested land harvested using clearcut harvest method***

What does the measure tell us? This measure is an indicator of the number of harvests where clearcutting is the harvest method used. Over time, it is anticipated the amount of clearcut harvest will be decreased as a result of increased use of an ecosystem based approach to forest management. Less clearcutting means better management of the forests of Nova Scotia and greater use of non-clearcut methods to regenerate forest sites.

Where are we now? 2011 reference year data shows a reduction in that 89% of harvests used the clearcut method.

Where do we want to be? The Natural Resources Strategy determined a target of no more than 50% of all harvests be done by the clearcut harvest method by end 2016. The solution lies in a steady reduction of the clearcut method over this first five years of Strategy implementation.

Measure: ***Provincial camping park occupancy rate (core season)***

What does the measure tell us? Measure indicates the amount of use in provincial camping parks. Occupancy is the percent of available campsites used during a particular time frame. In this case the peak periods are the months of July and August. The period selected is the optimal to capture the type of experiences residents and visitors are seeking as well as the general trend over time in the sector. The measure is used to inform future planning for the development of new park opportunities and the investment into older facilities.

Where are we now? For 2012 the occupancy rate for July and August was 43.66 %, up from 41.92% in 2011. This is reflective of better weather conditions in 2012 when less camping days were lost to rain, especially on weekends. As well, it reflects the introduction of camping improvements at several campgrounds that were not available in the previous year.

Where do we want to be? The goal is to achieve 45% peak period occupancy. Camping is a weather dependent activity that makes it impossible to target higher occupancy levels.

Measure: ***Percentage of endangered and threatened species with recovery plans in place***

What does the measure tell us? This is an indicator of the amount of work being done and the degree of planning underway to restore the health of endangered and threatened species. Recovery plans are the focal instrument for addressing the recovery needs for species at risk and guide governments, recovery teams and others in their conservation efforts, and are now being prepared as required by the *Endangered Species Act*. Recovery plans establish, for each endangered and threatened species, what needs to be done, how much it will cost, when it will be done and who will do the work. The plans also set goals for what is required to down-list a species at risk and establish a strategy for attaining these goals. To down-list a species means to move it to a lower risk category. New species are listed periodically under the *Endangered Species Act*. Recovery plans are required to be in place for each endangered species within one year after the species was listed, and within two years for those species listed as being threatened.

Where are we now? As of March 31, 2013, 24 species were listed as either endangered or threatened. All of the 24 species were required to have a recovery plan in place by March 31, 2013 and 20 of them, or 83%, did have a recovery plan in place as of that date. Recovery plan development is being led by Environment Canada for three of the species without completed plans in place. These species are the Red Knot, the Chimney Swift, and the Common Nighthawk.

Where do we want to be? Our annual target is to have required recovery plans in place for all (100%) species listed under the Act. Completion is, in part, dependent on the resources and timelines. Revisions to completed plans are also occurring periodically in order to incorporate new information and knowledge that becomes available.

OUTCOME 2 Accessible Information

Measure: ***Quality of geological databases***

What does the measure tell us? The measure, taken from the Fraser Institute's annual survey of mining companies, is an indication of: a) the quality and usefulness of geological maps, databases and reports in assisting industry to make exploration investment decisions leading to mineral prospects and discoveries in the province, and b) the ease of access to geological information (i.e., is geological information easily found, and freely accessible in traditional and modern, web-based platforms?). The quality of 'geological database measure' is one component of a broader measure or indication of Nova Scotia's "attractiveness" to the mineral industry relative to other provincial/territorial and international jurisdictions.

Where are we now? The Fraser Institute has consistently ranked Nova Scotia at 89% for the past several years. At face value, a score of 89% is impressive; although the Fraser Institute also consistently scores Nova Scotia lower than most (or all) Canadian provinces and territories and comparable jurisdictions (e.g., Australia) in quality of geological databases and overall attractiveness to the mineral industry.

Where do we want to be? We can attempt to measure our attractiveness using the Fraser Institute's survey results, and also by measuring exploration trends in the province (e.g., number of exploration licenses issued, geological databases/maps/reports issued to industry, exploration spending, royalties collected) and compare those trends to the exploration activities in other Canadian provinces and territories.

OUTCOME 3 A Safe, Knowledgeable Organization

Measure: ***Percent of employees who somewhat agreed or strongly agree that the department creates a safe work environment***

What does the measure tell us? This measure tells us employee's perceptions of their department's efforts and desire to provide a safe work environment.

Where are we now? The 2013 How's Work Going results show that 88% of respondents in Natural Resources somewhat or strongly agree that the department creates a safe work environment. This is almost 10% higher than the previous survey in 2011.

Where do we want to be? The explanation of results for *How's Work Going 2011* notes that survey results of 75% or above are considered clear strengths for departments.

Measure: ***Percent of employees who somewhat agree or strongly agree that they have access to training opportunities***

What does the measure tell us? Access to training is employees' perceptions on the accessibility and availability of training opportunities. This perception impacts employees' beliefs if they feel their organization supports learning and development.

Where are we now? The 2013 How's Work Going results show that the 78% of respondents in Natural Resources somewhat or strongly agree that they have access to training opportunities. This is a slight increase over the previous survey in 2011.

Where do we want to be? The explanation of results for How's Work Going 2011 notes that survey results of 75% or above are considered clear strengths for departments.

APPENDIX A

Annual Report under Section 18 of the *Public Interest Disclosure of Wrongdoing Act*

The *Public Interest Disclosure of Wrongdoing Act* was proclaimed into law on December 20, 2011.

The Act provides for government employees to be able to come forward if they reasonably believe that a wrongdoing has been committed or is about to be committed and they are acting in good faith.

The Act also protects employees who do disclose from reprisals, by enabling them to lay a complaint of reprisal with the Labor Board.

A Wrongdoing for the purposes of the Act is:

a) a contravention of provincial or federal laws or regulations
b) a misuse or gross mismanagement of public funds or assets
c) an act or omission that creates an imminent risk of a substantial and specific danger to the life, health or safety of persons or the environment, or
d) directing or counseling someone to commit a wrongdoing

The following is a summary of disclosures received by the Department of Natural Resources

Information Required under Section18 of the Act	Fiscal Year 2012-2013
The number of disclosures received	0
The number of findings of wrongdoing	0
Details of each wrongdoing	0
Recommendations and actions taken on each wrongdoing	0